

By: Guillen

H.B. No. 2954

Substitute the following for H.B. No. 2954:

By: Rodriguez of Bexar

C.S.H.B. No. 2954

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a down payment assistance program by the manufactured housing division of the Texas Department of Housing and Community Affairs for the purchase of manufactured homes by low-income individuals and families.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 1201, Occupations Code, is amended by adding Section 1201.063 to read as follows:

Sec. 1201.063. DOWN PAYMENT ASSISTANCE PROGRAM. (a) The department shall establish a program providing down payment assistance to eligible persons for the purchase of manufactured homes:

(1) from a retailer licensed under this chapter; or
(2) that have been converted to and are being sold as real property.

(b) To be eligible for financial assistance under this section, a person must:

(1) be an individual or family earning not more than 80 percent of the area median income or applicable federal poverty line as determined under Section 2306.123 or 2306.1231, Government Code; and

(2) except as provided by board rule, continuously occupy the purchased manufactured home as the person's primary residence for at least the two-year period following the date of

purchase of the home.

(c) For each manufactured home purchased with financial assistance under this section, the assistance may not exceed the lesser of:

(1) \$2,000;

(2) 50 percent of any down payment required by the primary lender; or

(3) five percent of the total purchase price of the manufactured home and the real property on which a manufactured home has been installed, if a real property election has been perfected under Section 1201.222(a).

(d) Financial assistance provided under this section must be provided in connection with a primary loan that:

(1) is from a lender licensed to make consumer loans in this state or a federally insured depository institution if the loan does not involve the use of real property as security; or

(2) complies with the applicable requirements of state and federal law if the loan involves the use of real property as security.

(e) The board shall adopt rules governing:

(1) the administration of the program;

(2) the issuance of financial assistance under the program;

(3) creditworthiness, purchase price, and other eligibility standards;

(4) exceptions to the residency requirement under Subsection (b)(2), including death, loss of employment, or other

1 exigent circumstances;

2 (5) contractual enforcement of the residency
3 requirement under Subsection (b)(2); and

4 (6) the structure of the financial assistance provided
5 under this section, which may include secured or unsecured deferred
6 forgivable loans.

7 (f) The department may fund the program with:

8 (1) money appropriated to the department for that
9 purpose; and

10 (2) money from the housing trust fund established
11 under Section 2306.201, Government Code, that is made available to
12 the department for that purpose.

13 (g) The department may reserve for payment of
14 administrative expenses not more than five percent of money
15 received for the program under this section.

16 SECTION 2. The Texas Department of Housing and Community
17 Affairs shall adopt the rules required by Section 1201.063(e),
18 Occupations Code, as added by this Act, not later than December 1,
19 2013.

20 SECTION 3. This Act takes effect September 1, 2013.